

U.S. Rep. John Hall (D-NY19) submitted the following statement for the record in the House of Representatives on H.R. 1424, The Emergency Economic Stabilization Act of 2008: "Madame Speaker, I rise today in support of H.R. 1424, The Emergency Economic Stabilization Act of 2008. Since this House rejected an earlier plan to intervene, the bad economic news has kept rolling in and the dangers to Main Street businesses have increased. Only today it was announced that 159,000 American jobs were lost in September alone. This kind of news combined with the tremendous declines we've seen in the markets only underscores our need to take action.

"I continue to share the anger of most Americans about the need to take these unprecedented steps, but I remain more convinced today that we must act decisively to contain this economic contagion before it spreads into the far reaches of our economy and leaves lasting damage.

"Although this bill added an important provision to increase the insurance guarantees on personal deposits by the FDIC and a number of tax provisions, it remains similar to the package that I reluctantly supported earlier this week. While this bill is far from perfect, I believe it addresses the economic crisis in a responsible way that helps Wall Street while still looking out for Main Street and protecting our tax dollars.

"This bill would still institute limits on executive compensation and golden parachutes for the executives of companies that take part in the plan. It puts in place real oversight, from the courts, from Congress and from a new Inspector General's office and finally installs significant government supervision and regulation of the companies that helped to put us in the situation we're in now.

"It also puts in place mechanisms to make sure that taxpayer dollars will be protected to the maximum extent possible. To the extent that our investment is not recouped, the President will have to come up with a plan to make sure that the companies taking out this government loan will have to pay back the American taxpayer.

"The financial industry is of great importance to New York State, which relies on our financial institutions for a significant percentage of tax revenue and jobs. The Hudson Valley is particularly vulnerable to difficulties on Wall Street, and I fear that the workers, small business owners, and families in my district will face severe economic ramifications if we do not stem the tide of this financial crisis. That is the primary reason that I feel I must vote yes today.

"In fact, the ripples of the credit crisis are already impacting some of the small businesses in my district. Jeff Conston, owner of Dutchess Recreational Vehicles in Poughkeepsie, contacted me to tell me that his customers are finding it very hard to get financing to purchase the equipment he sells. He has 34 employees who handle sales, parts and service for his dealership. He urged us to pass this financial rescue plan passed so the financing for his customers and his business can start flowing again.

"Another local businessman, William L. Spearman, Chief Executive Officer of the Mid-Hudson Valley Federal Credit Union in my district, told me that while his credit union's balance sheet remains strong, his members are so concerned about our financial system that they are

withdrawing money just to put it in their mattresses. In his view, the financial system is frozen and we need to pass this bill to provide confidence to his members and to get the system moving again.

"Overall, I am pleased that the legislation sent back from the Senate includes some important tax relief provisions that I believe Congress should pass this year. Chief among this is a one year 'patch' that will protect thousands of middle class families from being hit by the AMT this year. Last year over 30,000 families in my district paid the AMT, and this bill will ensure that an additional 70,000 families in my district will not also be obliged to pay it. I wish we had the support to permanently fix the AMT, and help the middle class families that are still subject to it, however once again the 'patch' legislation that we consider today is the best legislation that we can pass at this time and I will support it.

"I am also grateful that this legislation contains a number of tax breaks to help individuals and small businesses. Given the economic troubles we are in the midst of, tax breaks for research and development and for teachers who use their own money to purchase supplies for the students are desperately needed and could not come at a better time.

"This bill also includes some important provisions to help shore up our economy in the long term by moving us away from imported fossil fuels and toward energy independence. The critical tax incentives in this bill for wind, solar, hydropower, marine energy, and the purchase of advanced plug-in hybrid vehicles will create thousands of green jobs here in America that can't be outsourced, will help cut consumer energy costs, and will give individual families and businesses the power to help fight climate change and end our dependence on foreign oil. Although I am deeply disappointed by the inclusion of incentives for coal to liquids technology and tar sands and oil shale exploration, which will not meet these goals, this package is still critical to our future and worthy of support.

"Passage of this plan is only a first step. What created this crisis was the Bush Administration's and previous Congress's failure to stem reckless behavior on Wall Street, and we cannot allow that lapse in oversight to be repeated. I am pleased that The Committee on Oversight and Government Reform will begin hearings soon on the causes of this crisis and that there is acknowledgement that we must to work to make more fundamental investments in the true engine of our economy: American workers, innovation, and small businesses, in order to more permanently strengthen our prosperity. Congress must remain vigilant, aware of how this tremendous authority is being exercised by the Administration and in the markets, and ready to intervene at the first hint of abuse or ineffectiveness."